was set up by RBI to look Into various issues with a view to improving the organisational effectiveness of 'RBI. Based on the report of the In house Group, an Internal Task Force was set np to formulate a Corporate Plan for the bank. An external consultant has also been appointed to guide and assist the Task Force in plan formulation and also for organisational and systems studies. Final Corporate Plan has not yet been prepared by RBI.

NRI Recommendations on FDS

2572. SHRI SATYA PRAKASH MALAVIYA:
SHRI ANANT RAM JAIS-WAL: SHRI MOHINDER SINGH LATHER:

Will the Minister of FINANCE be pleased to state:

(a) whether certain NRI experts on the India's economic reforms commissioned by the Ministry have, in their report, recommended on a scrapping of FDS besides removal of subsidies on fertilizers, irrigation and electricity;

(b) if so, what are the salient fea-owes of the recommendations made by these experts; and

(c) what is the decision of Gov-ernment, if any taken thereon?

fHB MINISTER OF STATE IN 1MB MINISTRY OF FINANCE AND MINISTER OF STATES IN THE MINISTRY OF PARLIAMENTARY AFFAiRS (DR. ABRAR AHMED): (a) and (b) On the request of the Ministry of Finance two intemationa-d economists namely, Prof. Jagdish Bhagwati and Prof. T. N. Srinivasan prepared a report on India's Economic Reforms' which was released in July 1983 for public Information and debate on our ongoing economic reforms.

The authors have not suggested scrapping of the Public Distribution System (PDS). They have rocom-mended reforms in the PDS wMch should aim at improving its target-ting of the poor, so that the easts of resulting from extensive leakage to the non-poor is minimised and more benefits reach the poor even if the subsidies are reduced or abolished.

The authors have also recommended removal of three major subsidies on agricultural inputs such as fertilizers, irrigation and electricity on the premise that the entire set of re-foitais implemented in conjectlon with th'e subsidy removal is still likely to be favourable to agreultu-ral incentives as seems to be the case in many developing conntries.

On agricultural credit, the authors feel that the policy of subsidising interest rates helps predominantly th$_e$ non-poor farmers and should be withdrawn. The problem for the poor farmers instead is access to credit which should be ensured through the financial sector reforms currently envisaged by the Govern-ment.

On foreign trade in agricultural products, the authors recommend scrapping of quantitative restrictions and canalisation and replacing these with appropriate tariffs.

(c) The Government is keen that there should be a thorough public discussten on the key issues in agricultural sector and effective policy measures could then emerge within the overall: framework of the new economic policy which the Government is committed to pursue.

Supervision Authority for the working of Financial Investitonf

2573. SHRI S. S. SURJEWALA: Will the Minister of FINANCE be